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The 1963 Wheat Stabilization Program

Wheat farmers in the 39 commercial wheat States now have an opportunity to continue the progress made in 1962 in increasing wheat growers' income and reducing excessive stocks and Government costs under the national wheat program.

The new farm law, enacted Sept. 27, 1962, provides wheat-diversion and additional price-support payments which supplement the marketing quotas and price-support previously in effect for the 1963 wheat crop.

This is a short summary of the wheat stabilization program for 1963. Specific instructions for applying program provisions to your farm appear at the end of this leaflet.

Marketing quotas.—You will be in compliance with your farm quota if you comply with your acreage allotment. As previously, marketing quota penalties will apply to "excess" wheat. Marketing quotas do not apply to farms that have 15 acres or less of wheat for harvest.

Price Support.—A support averaging \$1.82 per bushel, nationally, on the 1963 wheat production is available if you comply with your farm acreage allotment. In addition, an 18¢-per-bushel price-support payment on the normal production of your 1963 wheat acreage is available if you participate in the 1963 wheat stabilization program. (Small farms must also be in compliance with the wheat allotment to be eligible for price-support loans or purchase agreements and the price-support payment.)

Diversion payments.—In addition, you may earn payments for reducing your wheat acreage and putting the diverted acres to an approved conservation use. The amount of acreage to be diverted is:

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If your wheat allotment is 15 acres or more, a minimum of 20 percent and a maximum of 50 percent of your wheat allotment; 10 acres may be diverted if this is larger than 50 percent of your wheat allotment.

If your wheat allotment is less than 15 acres, a minimum of 20 percent of the larger of (a) the average acreage of wheat planted for harvest in 1959, 1960, and 1961 (but not to exceed 15 acres) or (b) the 1963 allotment; and a maximum of 10 acres, provided this is not larger than either (a) or (b) above.

Diversion program.—The wheat acres you take out of production are to be devoted to a conservation use. These acres must be in addition to your farm's 1959-60 average acreage in conserving use, summer-fallow, and idle land. Acreage taken out of production under other Federal programs (such as the feed grain and Conservation Reserve programs) cannot be used as conservation acres under the wheat stabilization program.

The diversion payment will be:

Your farm's established wheat yield per acre (based on 1959-60) times one-half the county price-support loan rate times the diverted wheat acreage.

Half the diversion payment may be made at the time you sign an agreement to take part in the program.

Substitute crops.—If you wish, you may plant part or all of the acres you take out of wheat production to guar, sesame, safflower, sunflower, or castor beans. The payment for these acres (except safflower) will be a percentage of what the diversion payment would otherwise be. The percent-

ages are: Sesame, 40 percent; guar and castor beans, 30 percent; sunflower, 20 percent; safflower, no payment.

Price support.—By taking part in the voluntary wheat diversion program and complying with your acreage allotment, you also become eligible for an extra price-support payment of 18¢ a bushel on the normal yield of your 1963 wheat acreage. This extra payment will be:

The 1963 wheat acreage times the established yield times 18¢.

The total price support available for your 1963-crop wheat will be:

The local price-support loan rate (based on a national average of \$1.82 per bushel) times the amount of 1963-crop wheat you produce and put under loan or purchase agreement **plus** the extra 18¢-per-bushel payment as figured above.

Method of payment.—The wheat diversion payment will be in cash or, under certain circumstances, in wheat.

The price-support payment will be made by means of negotiable certificates, which the Commodity Credit Corporation will redeem in wheat or make a cash advance for the amount due the producer and market the certificate. (Wheat acquired through redemption of certificates will not be eligible for price support.)

BE SURE to take as many acres out of wheat production as you agree to divert when you sign up. Otherwise, you will not be eligible for the regular price support, the extra 18¢ price-support payment, or the wheat diversion payments.

December 14, 1962, is the last day for the signup in the 1963 wheat stabilization program for winter wheat.

This is a general explanation of the 1963 wheat program. For further details, see your ASC County Committee.

How the Program Applies to Your Farm

The enclosed notice indicates the farm yield, payment rate, and other related information which will be applicable if you desire to participate in the 1963 wheat stabilization program.

1. Diversion payments will be based on the rate shown in item 2 of the enclosed notice and will be made for diverting from wheat a minimum of 20 percent and not more than 50 percent of the higher of the 1963 allotment or the small farm base shown in item 3. If an "X" is shown in item 3, then refer to your 1963 farm wheat allotment notice for the allotment acreage. A total of 10 acres may be diverted even though this is more than the 50 percent maximum.
2. You may also be eligible for a supplemental price-support payment. This will be 18 cents times the yield shown in item 1 times the 1963 wheat acreage. Farms participating on the basis of a small farm base must also comply with the farm wheat acreage allotment in order to be eligible for this payment.
3. In addition, you will be eligible for a price-support loan or purchase agreement at the county loan rate based on a national average of \$1.82 per bushel, provided you comply with your farm wheat acreage allotment.
4. It will be necessary that you maintain the normal conserving acreage indicated in item 4 and also put to conserving uses the acreage diverted from wheat.

More detailed information will be available at the time of signup, and we believe it will be to your advantage to discuss your farm plans with representatives of the ASCS office.

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